

1 The Honorable Richard A. Jones and
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

The Honorable Richard A. Jones and
The Honorable John H. Chun

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff,

v.
BINANCE HOLDINGS LIMITED, d/b/a
BINANCE.COM, and
CHANGPENG ZHAO, aka “CZ,”
Defendants.

NO. CR23-178 RAJ and
NO. CR23-179 JHC

NOTICE OF RELATED CASE
FILED UNDER SEAL

I. INTRODUCTION

These cases arise out of a highly complex five-year investigation of the world’s largest cryptocurrency exchange, Binance.com. The investigation revealed that, beginning at its inception in 2017, Binance Holdings Limited (“Binance”), and Binance’s founder and chief executive officer (“CEO”), Changpeng Zhao, failed to comply with U.S. laws requiring them to register Binance.com as a money services business (“MSB”), implement an effective anti-money laundering (“AML”) program, and to comply with U.S sanctions laws.

The United States has reached plea agreements with Zhao and Binance. Pursuant to these agreements, the United States filed separate Informations against each Defendant. The United States filed separate Informations because the Defendants are pleading to different charges. Nevertheless, the charges arise out of the same underlying conduct—conduct that was extensive and complex, and requires a thorough understanding of the actions of Binance and its officers as well as the legal and regulatory schemes governing MSB registration, AML programs, and sanctions. Common questions will be presented in both cases at every stage of the cases, including sentencing. Accordingly, the United States submits this Notice of Related Cases.

II. DISCUSSION

On November 14, 2023, the United States filed a thirty-two-page Information charging Binance Holdings Limited with Conspiracy to Conduct an Unlicensed Money Transmitting Business and to Fail to Maintain an Effective Anti-Money Laundering Program (Count 1), Conducting an Unlicensed Money Transmitting Business (Count 2), and violating the International Emergency Economic Powers Act (Count 3). This was assigned case number CR23-178 RAJ. On the same day, the United States filed a nine-page Information charging Zhao with a single substantive count of Failure to Maintain an Effective Anti-Money Laundering Program. This case was assigned case number CR23-179 JHC.

Local Criminal Rule 13 encourages counsel “to file a notice of related case in order to bring such cases to the Court’s attention.” The Court may reassign criminal cases pursuant to Local Criminal Rule 13, which provides:

(a) **Common Questions.** When criminal cases involving common questions of law and fact (but not necessarily the same parties) are assigned to different judges, there may be good reason to assign all of said cases to one judge. Such may be assigned to the judge to whom the case bearing the earliest filing number was assigned, at his or her option.

1 These cases involve multiple common questions of law and fact. Both cases arise
2 out of the operations of Zhao's company, Binance, and Binance's failure to register with a
3 U.S. regulator, failure to develop an effective AML program, and failure to ensure that its
4 platform did not cause illegal transactions between U.S. persons and persons in sanctioned
5 jurisdictions, as well as Binance's sophisticated attempts to conceal its noncompliance with
6 U.S. law. The conduct spans at least five years, involves numerous Binance officers and
7 third parties, millions of users, and billions of transactions valued at trillions of dollars, and
8 it is governed by the same intricate legal and regulatory framework.

9 The United States has reached plea agreements with both Defendants. These
10 agreements were negotiated in tandem and are designed to address complex questions
11 about future monitoring and compliance, as well as the ongoing roles of Binance and Zhao
12 in the cryptocurrency industry.

13 For these reasons, reassignment to the same judge may be in the interest of judicial
14 economy. Counsel for Defendants agrees that reassignment is appropriate.

1 DATED this 14th day of November, 2023.
2

3 MARGARET A. MOESER
4 Acting Chief
5 Money Laundering and Asset Recovery
Section, Criminal Division
U.S. Department of Justice

6 /s Kevin G. Mosley

7
8 Kevin G. Mosley
9 Elizabeth R. Carr
Trial Attorneys

10 JENNIFER KENNEDY GELLIE
11 Acting Chief
12 Counterintelligence and Export Control
Section, National Security Division
13 U.S. Department of Justice

14 /s Beau D. Barnes
15 Beau D. Barnes
16 Alex Wharton
Trial Attorneys

TESSA M. GORMAN
Acting United States Attorney
Western District of Washington
U.S. Department of Justice

/s Michael Dion

Michael Dion
Assistant United States Attorney

CERTIFICATE OF SERVICE

I hereby certify that on November 14, 2023, I served this filing upon counsel for Defendants by email.

/s Michael Dion
MICHAEL DION
Assistant U.S. Attorney
U.S. Attorney's Office